



FOR IMMEDIATE RELEASE

For more information, contact:
Mike Gowrylow
(360) 570-6048

Property Tax Revenues Increase 7.1 Percent in 2007

OLYMPIA, Wash., Oct. 11, 2007 — Property tax revenues increased 7.1 percent to \$7.73 billion in 2007, with taxes on new construction accounting for nearly 20 percent of the \$514.5 million gain over 2006, the Washington State Department of Revenue reported today.

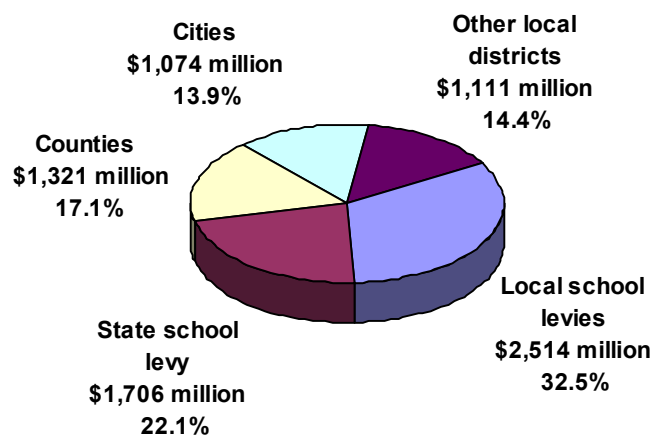
Taxes on existing properties, excluding new construction, increased by \$414.4 million, or 5.7 percent, according to Property Tax Statistics 2007, the agency's annual compilation of property tax information.

Taxes on existing properties increased more than the 1 percent limit imposed by Initiative 747 chiefly due to a large number of voter-approved tax increases, especially levy lid lifts for fire districts. A levy lid lift allows a taxing district to levy its maximum statutory rate.

Despite the levy lid lifts, overall tax rates fell 84 cents to a statewide average of \$10.48 per \$1,000 assessed valuation from \$11.32 in 2006, due to increased values and the effect of

Initiative 747. I-747 generally limits taxing districts to 1 percent increases over their prior year levies,

Property Tax Distribution
\$7.73 billion in 2007



plus revenue from new construction and increases in state assessed property, unless voters approve larger increases. Consequently, as values increase, this limit usually results in a lower tax rate.

The assessed valuation of all properties, including new construction added to the tax rolls, increased 15.8 percent to \$739.7 billion in 2006. Values assessed in 2006 are used to calculate tax levies due in 2007.

Single-family residences comprised 68.2 percent of total assessed valuation, up from 67.2 percent the previous year.

Voter-approved taxes totaled 37.8 percent of total property taxes in 2007. These include voter approval of local school levies and bonds and measures for other districts such as parks, fire districts and emergency medical services.

Local voter-approved school levies and the state school levy accounted for 54.6 percent of property taxes, while counties received 17.1 percent and cities got 13.9 percent. All other taxing districts, such as hospitals, fire districts, ports and libraries, shared the remaining 14.4 percent.

Columbia County experienced the biggest increase in assessed valuation at 36.2 percent, followed closely by Island County at 35.9 percent. Lincoln County experienced the lowest increase in assessed valuation at 4.8 percent.

Columbia County also experienced the largest increase in levies at 22.3 percent, with most of this due to the addition of a major windmill project to the tax rolls. At the other extreme, levies in Garfield County dropped 14 percent due to the expiration of a hospital bond measure.

For more information on assessed valuations and levies by taxing district, please access the complete report in the statistics and reports section of <http://dor.wa.gov> or directly at http://dor.wa.gov/Content/AboutUs/StatisticsAndReports/2007/Property_Tax_Statistics_2007/default.aspx.

###